

**ETEX TELEPHONE COOPERATIVE, INC.  
HIGHWAY 155 NORTH, P.O. BOX 130  
GILMER, TEXAS 75644**

September 28, 2012

FRN: 0005-9013-68

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
Washington, D.C. 20054

RE: Filing of Etex Telephone Cooperative, Inc. in Compliance with Order Designating  
Issues for investigation in the Matter of Investigation of Certain 2012 Annual Access tariffs,  
WC Docket No. 12-233, WCB/Pricing No. 12-09.

Dear Ms. Dortch:

Enclosed for filing in the above-referenced dockets is the Compliance Filing of Etex  
Telephone Cooperative, Inc. ("Etex").

Pursuant to the Protective Order in this proceeding, Etex requests confidential treatment of  
parts of its information and its schedules that contain confidential and proprietary  
information related to Etex's finances included subscriber information, revenues by service  
type and other sensitive financial data. This information is entitled to confidential, non-  
public treatment under the Freedom of Information Act, the related provisions of the  
Commission's rules and the Protective Order in this proceeding.

Etex has marked each page of the non-redacted version of this filing with the legend  
"CONFIDENTIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER IN  
WC DOCKET NO. 12.233, WCB/PRICING NO. 12-09 BEFORE THE FEDERAL  
COMMUNICATIONS COMMISSION." Etex has filed redacted versions of each  
Stamped Confidential Document in the Commission's Electronic Comment Filing System  
(ECFS) and has emailed the unredacted schedules to Ms. Pamela Arluk, Assistant Division  
Chief - Wireline Competition Bureau.

All correspondence and inquiries concerning this filing should be addressed to:

Mr. Keith E. Clayton or Larry Dale  
At: ITCs  
4775 Barnes Road, Suite M  
Colorado Springs, Colorado, 80917  
Telephone number: (719) 574-5120  
Fax number: (719) 574-3050

Respectfully submitted,

Danny Kellar  
General Manager

Enclosures

**UNREDACTED - FOR PUBLIC INSPECTION**  
**ETEX TELEPHONE COOPERATIVE, INC.**  
**Description and Justification**  
**September 27, 2012**

I. Interstate Switched Access Service

Issue A. Calculation of Base Period Revenue

In accordance with 51.917(c), Etex calculated its interstate "Base Period Revenue" based upon its 2011 Interstate Switched Access Revenue Requirement of [REDACTED] contained in its July 1, 2011 interstate access tariff filing with the FCC. Included in this amount is [REDACTED] of Local Switching Support (LSS) and [REDACTED] of one-time PIC-charges.

Issue C. Interstate Switched Access Demand

For Test Year (TY) 2012-2013, forecasted interstate switched access demand was calculated using an annualized demand loss factor of 15% applied to the FY2011 demand units.

II. Transitional Intrastate Switched Access Service

Issue A. Calculation of Base Period Revenue

1. Jurisdiction and Directionality

Etex's Carrier Access Billing System (CABS) assigns each Access Usage Record (AUR) to the interstate or intrastate jurisdiction using the "From" and "To" number field in the AUR. For terminating AURs without a "From" number, this access usage is allocated to the interstate and intrastate jurisdictions based on the interexchange carrier's provided Percent Interstate Usage (PIU) factor. Etex's CABS assigns each AUR as either originating or terminating based on the directionality field in the AUR.

For Fiscal Year (FY) 2011, terminating intrastate usage was accumulated for the billing cycle and then billed at the following intrastate switched access rate elements:

Terminating Carrier Common Line  
Terminating Local Switching  
Terminating Information Surcharge  
Terminating Local Transport Facility  
Terminating Local Transport Termination

The FY2011 terminating intrastate base period data included only the demand and revenue generated by the rate elements listed above. There were no intrastate switched access non-recurring charges billed during the

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FY2011 billing period. No late payment fees or other non-service related charges were included in the FY2011 billing period data.

2. FY2011 (February 1, 2010 to January 31, 2012) Usage Period

Etex's monthly CABS processing bills switched access usage on a monthly cycle. For example, the December 1, 2011 CABS bills included the access usage for November 1, 2011 to November 30, 2011. Etex extracted all switched access usage billed from February 1, 2010 through January 31, 2012 to ensure that a full 12 months of usage data was reported for the FY2011 billing period. Etex did not bill or include any out-of-period billing adjustments during this 12-month FY2011 billing period. The total transitional intrastate demand and revenue for the billing usage period was [REDACTED] minutes and [REDACTED] in revenue.

3. March 31, 2012 Cutoff / Uncollected Revenue

Etex reviewed its CABS Accounts Receivable reports as of May 2012 and determined that it had \$0 in uncollected revenues for terminating intrastate switched access charges billed during the FY2011 billing period. Consequently, all FY2011 intrastate terminating billed revenue was received by March 31, 2011.

**Issue B. Intrastate Rate Reductions**

In accordance with 51.909(b), Etex reduced its transitional intrastate switched access rates by 50% of the differential between the FY2011 terminating intrastate demand priced at December 29, 2011 intrastate switched access rates compared to the FY2011 terminating intrastate demand priced at December 29, 2011 interstate switched access rates. Utilizing the option in 51.909(b)(2)(v), Etex elected to adopt the interstate rate structure and December 29, 2011 interstate rate levels and include the transitional per-minute charge assessed on terminating intrastate end office switching minutes between July 3, 2012 and July 1, 2013. This revenue reduction and rate restructure was reflected in its revised intrastate switched access tariff which was approved by the Texas Public Utility Commission effective July 3, 2012.

These calculations were performed at the rate element level and no composite rates were used. Since no intrastate switched access non-recurring charges were billed in the FY2011 billing period, no non-recurring revenues or demand were included in the calculation.

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Issue C. Intrastate Switched Access Demand

For Test Year (TY) 2012-2013, forecasted terminating intrastate switched access demand was calculated using an annualized demand loss factor of 1.5% applied to the FY2011 demand units. Subsequently, the forecasted terminating intrastate switched access demand was all rated at interstate rate levels.

III. Reciprocal Compensation

Issue A. Calculation of Base Period Revenue

This is a non applicable (N/A) issue for Etex, in that Etex does not participate in any reciprocal compensation agreements.

IV. Access Recovery Charge (ARC)

Issue E. Calculation of ARC Rates

Etex's total FY2012 - 2013 Eligible Recovery amount, as adjusted in this filing, exceeds the amount of projected ARC revenue, based on its ARC rates as originally filed, Etex believes that its proposed ARC rates are just and reasonable and no refund obligation currently exists in this matter.

Table 1: Access Recovery Charge (ARC)

<b>Line Type</b>	<b>ARC Rates as Filed Effective July 3, 2012</b>	<b>ARC Rates as Supported by Direct Case</b>
Residence - Individual Line	\$0.50	\$0.50
Business - Single Line	\$0.50	\$0.50
Business - Multi Line	\$1.00	\$1.00

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**Filing Date (enter w/leading '):** 9/28/2012  
**Holding Company:** Etex Telephone Cooperative, Inc.  
**Filing Name:** Etex Telephone Cooperative, Inc.

ARC-CAF-1

Study Area  
442070 \$

EXCHANGES

Rate Ceiling Component Charges Calculation ( 51.915(b)(11) )											
RESIDENCE / NP / BRI / SLB (excluding Lifeline)											
7.00	Res / NP / BRI	SLB	Mandatory						State	Federal	Total Rate
	Tariff Period	Tariff Period	Stand-alone	Mandatory	Zone	State					Ceiling
	<u>Projected Lines</u>	<u>Projected Lines</u>	<u>R1 rate</u>	<u>EAS</u>	<u>Charges</u>	<u>SLC</u>	<u>E911</u>	<u>TRS</u>	<u>USF</u>	<u>SLC</u>	<u>Comp. Chgs</u>
			\$ 7.75	\$ 3.50	\$ -	\$ -	\$0.060	\$0.000		\$6.500	\$0.500

MULTI-LINE BUSINESS

Tariff Period	Federal
<u>Projected Lines</u>	<u>SLC-MLB</u>
	\$ 9.50

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Filing Date (enter w/leading '): 9/28/2012

**ARC-CAF-2**

**Holding Company:** Etex Telephone Cooperative, Inc.

**Filing Name:** Etex Telephone Cooperative, Inc.

Eligible Revenue - Current Yr Recovery	\$	
--	----	--

Maximum ARC opportunity Revenue	\$	
---------------------------------	----	--

Maximum CAF ICC Support	\$	
-------------------------	----	--

Residential Rate Ceiling: ( 51.915(b)(12) )	\$	30.00
---	----	-------

Maximum MLB SLC+ARC: ( 51.915(e)(5)(iv) )	\$	12.20
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Max ARC for current year: Res/SLB	\$	0.50
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Max ARC for current year: MLB	\$	1.00
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Study Area	Primary/Non Primary Residential/BRI			SLB			MLB			Total Eligible Lines	
	All Tariff Period Projected Lines	ARC Eligible Tariff Period Projected Lines	Maximum ARC opportunity Revenue	All Tariff Period Projected Lines	ARC Eligible Tariff Period Projected Lines	Maximum ARC opportunity Revenue	All Tariff Period Projected Lines	ARC EligibleTariff Period Projected Lines	Maximum ARC opportunity Revenue	Tariff Period Projected Eligible Line Demand	Maximum ARC opportunity Revenue
442070	186	186	\$1,956,000	186	186	\$1,956,000	186	186	\$1,956,000	186	\$1,956,000
Total	186	186	\$1,956,000	186	186	\$1,956,000	186	186	\$1,956,000	186	\$1,956,000

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Filing Date (enter w/leading '):

9/28/2012

### ARC-CAF-3




**Holding Company:**

Etex Telephone Cooperative, Inc.

**Filing Name:**

Etex Telephone Cooperative, Inc.

Residential Rate Ceiling: ( 51.915(b)(12) )	\$	30.00
Maximum MLB SLC+ARC ( 51.915(e)(5)(iv) )	\$	12.20
Max ARC for current year: Res/SLB	\$	0.50
Max ARC for current year: MLB	\$	1.00

Holding Company Eligible Recovery	Holding Company Maximum ARC Revenues	Maximum CAF ICC Support
		

[illegible]



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**Filing Date (enter w/leading '):**

9/28/2012

**ARC-CAF-4**

**Holding Company:**

Etex Telephone Cooperative, Inc.

**Filing Name:**

Etex Telephone Cooperative, Inc.

FOOTNOTES:

1	<b>Filing Date:</b> 9/28/2012							
2	<b>Filing Entity:</b> Etex Telephone Cooperative, Inc.							
3	<b>Transmittal Number:</b> 18							
4								
5								
6								
7	TY 2012-2013 Eligible Recovery							
8		Interstate	Intrastate	Net Rec. Comp.	TRS Increment	Regulatory-Fees Increment	NANPA Increment	Total
9	COSA	2012 RoR ILEC Interstate Rates, cell F11	2012 RoR ILEC Intrastate Rates, cell G10	2012 RoR ILEC Rec. Comp. Rates, cell E9	Input	Input	Input	B+C+D+E+F+G
10								
11								0
12								0
13								0
14								0
15								0
16								0
17								0
18								0
19								0
20								0
21								0
22								0
23								0
24								0
25								0
26								0
27								0
28								0
29								0
30								0
31								0
32								0
33								0
34								0
35								0
36								0
37								0
38								0
39								0
40								
41	<b>Total Eligible Recovery</b>							

	A	B	C	D	E	F	G	H
1	Filing Date:		9/28/2012					
2	Filing Entity:		Etex Telephone Cooperative, Inc.					
3	Transmittal Number:		18					
4	COSA:							
5								
6								
7	Most Recently Filed Interstate Switched Access Revenue Requirement					Input		
8	TY 2012-2013 Baseline Adjustment Factor (BAF)						0.95	
9	BAF X Most Recently Filed Interstate Switched Access Revenue Requirement					F7*F8		
10	Total TY 2012-2013 Expected Maximum Interstate Revenue					Sum of Col. H		
11	TY 2012-2013 Interstate Eligible Recovery					F9-F10		
12								
13								
14	Interstate Tariff Section	USOC	Interstate Switched Access Rate Element	Unit of Demand (e.g., MOU or DS1)	12/29/11 Interstate Rate	7/1/2012 Proposed Rate	TY 2012-2013 Expected Units	TY 2012-2013 Expected Maximum Revenue
15	Input	Input	Input (Note 1)	Input	Input	Input	Input	E*G
16			<b>** LOCAL SWITCHING **</b>					
17				MOU	0.01754596	0.01754596		
18								0
19								0
20								0
21								0
22			<b>** INFORMATION **</b>					
23								0
24								0
25								0
26								0
27								0
28			<b>** TANDEM-SWITCHED TRANSPORT AND TANDEM **</b>					
29								0
30								0
31								0
32								0
33								0
34			<b>** SIGNALING FOR TANDEM SWITCHING **</b>					
35								0
36								0
37								0
38								0
39								0
40			<b>** DIRECT-TRUNKED TRANSPORT **</b>					
41								0
42								0
43								0
44								0
45								0
46			<b>** DEDICATED SIGNALING TRANSPORT **</b>					
47								0
48								0
49								0
50								0
51								0
52			<b>** ENTRANCE FACILITIES **</b>					
53								0
54								0
55								0
56								0
57								0
58			<b>** LINE INFORMATION DATABASE **</b>					
59								0
60								0
61								0
62								0
63								0
64			<b>** BILLING NAME AND ADDRESS **</b>					
65								0
66								0
67								0
68								0
69								0
70								
71	Total TY 2012-2013 Expected Maximum Interstate Revenue (Sum of Col. H)							
72								
73								
74	Note 1: Enter one rate element per line under the relevant category. Insert rows as necessary.							



	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	Filing Date:		9/28/2012												
2	Filing Entity:		Etex Telephone Cooperative, Inc.												
3	Transmittal Number:		18												
4	COSA:														
5															
6															
7	TY 2012-2013 Reciprocal Compensation Eligible Recovery Revenue			O20	0										
8	TY 2012-2013 Reciprocal Compensation Eligible Recovery Expense			J26	0										
9	TY 2012-2013 Net Reciprocal Compensation Eligible Recovery			E7-E8	0										
10															
11															
12	TY 2012-2013 Reciprocal Compensation Eligible Recovery Revenue Calculations														
13	Reciprocal Compensation				Equivalent Interstate Access			Revised Reciprocal Compensation Rate and Eligible Recovery Calculations							
14	Revenue Category (Note 1)	FY 2011 Revenue	FY 2011 MOU	FY 2011 Average Rate	FY 2011 Terminating Revenue	FY 2011 Terminating MOU	FY 2011 Average Rate	July 1, 2012 Average Rate	Price Out with July 1, 2012 Average Rates and FY 2011 Units	Revenue Difference	% Revenue Difference	TY 2012-2013 Expected Demand	TY 2012-2013 Expected Revenue	95% of FY 2011 Revenue	TY 2012-2013 Rec. Comp. Eligible Recovery Revenue
15		Input	Input	B/C	Input	Input	E/F	(D-G)/2+G or D	H*C	B - I	(J/B)*100	Input	H*L	.95*B	N-M
16	End Office Switching			0.000000			0.000000	0.000000	0	0	N/A		0	0	0
17	Tandem Switching			0.000000			0.000000	0.000000	0	0	N/A		0	0	0
18	Common Transport			0.000000			0.000000	0.000000	0	0	N/A		0	0	0
19	Transport and Termination			0.000000			0.000000	0.000000	0	0	N/A		0	0	0
20	Total	0			0				0	0	0.00%	0	0	0	0
21															
22															
23	TY 2012-2013 Reciprocal Compensation Eligible Recovery Expense Calculations														
24	Expense Category	FY 2011 Expense	FY 2011 MOU	FY 2011 Average Rate	% Revenue Difference	TY 2012 Average Rate	2012 Expected MOU	TY 2012-2013 Expected Expense	95% of FY 2011 Expense	TY 2012-2013 Rec. Comp. Eligible Recovery Expense					
25		Input	Input	B/C	K20	D*(1-E)	Input	F*G	.95*B	I-H					
26	Total Expense			0.000000	0.00%	0.000000		0	0	0					
27															
28															
29	Note 1: Use rows 16, 17, and 18 for traffic carried pursuant to reciprocal compensation agreements that specify separate rates for end office switching, tandem switching, and common transport.														
30	Use row 19 for traffic carried pursuant to reciprocal compensation agreements that specify only a single transport and termination rate.														

Filing Date (enter w/leading '):  
Holding Company:  
Filing Name:

9/28/2012  
Etex Telephone Cooperative, Inc.  
Etex Telephone Cooperative, Inc.

ARCCTRTP-CAF-1

Study Area		Rate Ceiling Component Charges Calculation ( 51.915(b)(11) )										MULTI-LINE BUSINESS		
224070 \$		RESIDENCE / NP / BRI / SLB (excluding Lifeline)										nonCentrex	Centrex	Federal
		Res / NP / BRI	SLB	Stand-alone	Mandatory	Zone	State	State	Federal	Total Rate		Tariff Period	Tariff Period	
		Tariff Period	Tariff Period	R1 rate	EAS	Charges	SLC	USF	SLC	Ceiling		Projected Lines	Projected Lines	SLC-MLB
		Projected Lines	Projected Lines							Comp. Chgs		Projected Lines	Projected Lines	
				\$ 7.75	\$ 3.50	\$ -	\$ -	\$0.060	\$0.000				-	\$ 9.20

Res/NP/BRI	SLB	Residential	RES/NP/BRI Current Year			SLB	ARC Revenue	NonCentrex	Centrex	MLB	MLB Curr. Yr.	NonCentrex	Centrex	ARC Revenue
Tariff Period	Tariff Period	Total Rate	Maximum	Tariffed	Tariffed	at Tariffed	Tariff Period	Tariff Period	Federal	Maximum	Tariffed	Tariffed	at Tariffed	
<u>Projected Lines</u>	<u>Projected Lines</u>	<u>Ceiling Chgs</u>	<u>ARC Rate</u>	<u>ARC Rate</u>	<u>ARC Rate</u>	<u>Rate</u>	<u>Projected Lines</u>	<u>Projected Lines</u>	<u>SLC</u>	<u>ARC Rate</u>	<u>ARC Rate</u>	<u>ARC Rate</u>	<u>Rate</u>	
0	0	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0	\$ -	\$ 9.20	\$ 1.00	1	\$ -	\$ 0	

[illegible]



[illegible]

[illegible]

[illegible]

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Filing Date (enter w/leading '):

ARCRCTRP-CAF-3

Holding Company:

Filing Name:

FOOTNOTES: